



## State of South Carolina Office of the Governor

MARK SANFORD  
GOVERNOR

Post Office Box 12267  
COLUMBIA 29211

June 11, 2010

The Honorable André Bauer  
President of the Senate  
State House, First Floor, East Wing  
Columbia, South Carolina 29201

Dear Mr. President and Members of the Senate:

I am hereby vetoing and returning without my approval S. 337, R. 298, which pertains to the Certificate of Need (CON) process within the Department of Health and Environmental Control (DHEC).

We appreciate the work the CON Reform Task Force did to streamline the certificate process, and we furthermore thank the General Assembly for its action on the task force's recommendations. While we agree with this bill's underlying changes, regrettably we are not able to support it because it comes with newly established fees. If this was a new regulatory program that would require new permit applications, which CON is not, those types of fees would be understandable and justified. In this case, DHEC is adding a fee for an existing service.

What we do in this budget year will very much set the stage for how next year's budget gets handled. Either we substantively tackle spending and inefficiency in government or we paper over these deficiencies with a host of fee and tax increases, and, in this regard, we believe this bill moves us in the wrong direction.

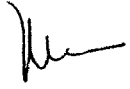
As we have stated in the past, we do not believe it is wise to raise taxes and fees to cover budget shortfalls for core governmental agencies. At the start of the next legislative session, policymakers will begin debating a budget that will essentially be \$1 billion short as stimulus funds from Washington dry up. We simply cannot rely on "backdoor tax increases" to cover budget shortfalls.

Some have suggested that the \$100 fee is intended to discourage frivolous appeals. We do not believe this justifies taking more money from the private sector, as we believe a better way to accomplish this would simply entail a requirement that the party that files for the appeal be held responsible for all attorneys' fees and court costs if the appeal turns out to be frivolous.

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For these reasons, I am vetoing and returning without my approval S. 337, R. 298.

Sincerely,

A handwritten signature in black ink, appearing to be 'Mark Sanford', written in a cursive style.

Mark Sanford